import contents to ex-factory value of their propose production of one kg. of Cephalexin;

(d) what is the total foreign exchange permitted for this activity to this company;

(e) whether production for this drug has been commenced; and

(f) if not, by when the production will be commenced?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS (SHRI R. K. JAICHANDRA SINGH): (a) and (b). Yes. Sir. M|s. Glaxo has been licensed to produce 15 tons per annum of Cephalexin from Potassium Penicillin G (First Crystal).

(c) Names of important raw materials which the company has indicated in their application as imported are as under:—

1. Dioxan
2. Butane 1—3 Diol
3. Dimethyl Formamide
4. Phenyl Glycyl Chloride
5. Triethylamine
6. Trimethylchlorisilane

The percentage of import content to ex-factory value for one kg. production of Cephalexin has been indicated as 9.4 per cent.

(d) Imports will be allowed as per the Import-export policy.

(e) No. Sir.

(f) The Industrial Licence is within its initial validity period.

Marketing of drugs by Warner Hindustan

106. DR. JOSEPH LEON D'SOUZA: Will the Minister of INDUSTRY be pleased to refer to the answer to Unstarred Question 2119 given in the Rajya Sabha on the 17th March, 1986 and state:

(a) whether it is a fact that apart from Isokin 100 mg. Warner Hindustan is also marketing Isokin 300 mg. tablets and Isokin liquid;

(b) if so, since when each of these products is being marketed by Warner Hindustan;

(c) what price was fixed for each of these products;

(d) what the price being charged by the company for each of these products during the last three years, year-wise;

(e) whether it is also a fact that the company has been overcharging the poor TB patients for these two products; and

(f) if so, what action has been taken against the company under Essential Commodities Act for violating Drugs Price Control Order, 1979?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS (SHRI R. K. JAICHANDRA SINGH): (a) Till recently M/s. Warner Hindustan Ltd. were manufacturing Isokin 300 mg. Tablets and Isokin Liquid. They have, however, now reported discontinuation of Isokin Liquid.

(b) The company have marketing the two products in question even before Drugs (Prices Control) Order, 1979.

(c) M|s. Warner Hindustan Introduced new pack of Isokin Liquid 100 ml after the promulgation of Drugs (Prices Control) Order, 1979 by showing it as a price decontrolled formulation. No price was, therefore, fixed for this pack. After the judgement of the Court they have discontinued the manufacture and marketing of this pack. As regards Isokin 300 mg. Tablets a price of Rs. 1.92 have been fixed for this product w.e.f. 7th April, 1986.

(d) Before the judgement of the Delhi High Court in this case in August, 1985, the company was selling Isokin 300 mg. Tablets (10's Strip- at Rs. 2.08 and Isokin Liquid 100 ml. at Rs. 7.99.

(e) and (f). The company had claimed that both the products are price decontrolled. A show cause notice was issued to the company for wrongly categorising

the products. The company then filed a Writ Petition in the Delhi High Court. After the judgement of the Court they have now complied with the categorisation of the two products.

Lapses in the New drug policy

107. DR. JOSEPH LEON D'SOUZA: Will the Minister of INDUSTRY be pleased to state:

(a) whether the attention of Government has been drawn to the Editorial under the caption "Drug Policy" appeared in Indian Express on 17th March, 1986;

(b) if so, whether it is a fact the Government have only consulted the drug industry in the formulation of policy and have totally ignored the suggestions made in the interest of the consumer;

(c) whether it is also a fact that the proposed policy is likely to prove a vital disappointment to the consumer;

(d) whether it is also a fact that the policy will be restricting only to pricing and production and ignoring other aspects such as quality of drugs, excessive irrational combination of drugs and marketing of useless and harmful medicines; and

(e) if so, what are the reasons for ignoring these aspects

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS (SHRI R. K. JAICHANDRA SINGH): (a) Yes, Sir.

(b) to (d). The policy has not been finalized yet.

(e) Does not arise.

Prices of Medicines

108. DR. JOSEPH LEON D'SOUZA: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that the prices of medicines are not fixed on the basis of actual purchase prices and actual landed cost of imports of bulk drugs;

(b) if so, why the actual purchase invoices and actual landed cost of imports of bulk drugs are not verified before fixation of formulation prices;

(c) whether it is also a fact that drug companies made huge unintended benefits with this procedure; and

(d) what steps are being taken to save the consumers from such procedure of fixation of high prices?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS (SHRI R. K. JALCHANDRA SINGH): (a) While fixing the prices of formulations, indigenous price as fixed by the Government, landed cost of import of individual importer weighted average import price or the actual cost of the purchase, whichever is lower is taken into consideration.

(b) to (d). The prices for the bulk drugs as fixed by the Government are maximum sale prices. The manufacturers of bulk drugs on account of competition or other reasons can sell the bulk drugs at prices not exceeding the notified prices. The international prices of imported bulk drugs also change from time to time on account of fluctuation in the exchange rate and or changes in the import prices. On account of such factors at times there could be a difference between the price of bulk drug allowed in the formulations and actual import/procurement price. As and when there are such substantial differences, steps are taken to revise prices.

Demand to increase equity shares by Suzuki Motors Ltd.

109. SHRI RAMCHANDRA BHARADWAJ: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Suzuki Motors Ltd., the Japanese Collaborator of Maruti Udyog Ltd., has desired an increase in its equity shares in the latter;

(b) if so, what is their precise demand; and

(c) what is Govt.'s reaction thereto?